

IEA hikes green energy forecast after 'turning point' year

October 25 2016



After a record 2015, global renewable electricity capacity will grow by 825 gigawatts by 2021, a massive 42-percent rise, the IEA said

Government support and lower costs will power stronger-than-expected global growth in renewable energy over the next five years, the International Energy Agency (IEA) said Tuesday.

After a record 2015, global renewable electricity capacity will grow by

825 gigawatts by 2021, a massive 42-percent rise, the IEA said.

The estimate is 13 percent higher than the agency's forecast last year. The IEA has been criticised in some quarters for being over-cautious about renewables.

In 2021, solar, wind and other renewable sources will provide comprise 28 percent of world electricity production compared to 23 percent in 2015, the IEA said.

Last year marked a "turning point" for renewables in terms of investment and use, the IEA declared.

The pick-up is mostly down to "stronger policy backing" in the United States, China, India and Mexico, it said.

Costs are expected to drop by around 25 percent for solar panels, and 15 percent for onshore wind.

"We are witnessing a transformation of global power markets led by renewables and, as is the case with other fields, the centre of gravity for renewable growth is moving to emerging markets," said IEA executive director Fatih Birol in the statement.

It highlighted China as "the undisputable global leader of [renewable energy](#) expansion."

China accounted for 40 percent of all renewable capacity increases last year, a rate that amounted to installing two wind turbines every hour, the agency said.

Worldwide around half a million [solar panels](#) were installed every day in 2015.

The exceptional growth has led the IEA to be "more optimistic" about the next five-year period, Birol said.

"However, even these higher expectations remain modest compared with the huge untapped potential of renewables," he added.

Generation from renewables is expected by 2021 to equal the total electricity generation of the US and the European Union put together today, the IEA said.

But, it warned, grounds for caution remain.

"Policy uncertainty persists in too many countries, slowing down the pace of investments," it said.

Difficulties in integrating networks in China, South Africa and Japan, and financing conditions that penalise developing countries are other hurdles, said the head of the IEA's renewables energy division, Paolo Frankl, in a telephone conference.

Aside from electricity, he said stubbornly low global oil prices had had a direct impact on renewable heat and biofuels, which were developing very slowly.

© 2016 AFP

Citation: IEA hikes green energy forecast after 'turning point' year (2016, October 25) retrieved 23 April 2024 from <https://phys.org/news/2016-10-iea-hikes-green-energy-year.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.